

105TH CONGRESS
2D SESSION

S. 2267

To amend the Internal Revenue Code of 1986 to grant relief to participants in multiemployer plans from certain section 415 limits on defined benefit pension plans.

IN THE SENATE OF THE UNITED STATES

JULY 7, 1998

Mr. D'AMATO (for himself and Mr. MURKOWSKI) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to grant relief to participants in multiemployer plans from certain section 415 limits on defined benefit pension plans.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. TREATMENT OF MULTIEMPLOYER PLANS**

4 **UNDER SECTION 415 LIMIT ON DEFINED BEN-**
5 **EFIT PENSION PLAN BENEFITS.**

6 (a) DOLLAR LIMIT REDUCTION.—Subparagraph (F)
7 of section 415(b)(2) of the Internal Revenue Code of 1986
8 (relating to plans maintained by governments and tax-ex-
9 empt organizations) is amended—

1 (1) by striking “AND TAX-EXEMPT ORGANIZA-
 2 TIONS” in the heading and inserting “, TAX-EXEMPT
 3 ORGANIZATIONS, AND MULTIEMPLOYER PLANS”, and

4 (2) by inserting in the first sentence “a multi-
 5 employer plan (as defined in section 414(f)),” after
 6 “subtitle”.

7 (b) AVERAGE COMPENSATION LIMIT.—Paragraph
 8 (11) of section 415(b) of such Code (relating to a special
 9 limitation rule for governmental plans) is amended to read
 10 as follows:

11 “(11) SPECIAL LIMITATION RULE FOR GOVERN-
 12 MENTAL AND MULTIEMPLOYER PLANS.—In the case
 13 of a governmental plan (as defined in section
 14 414(d)) or a multiemployer plan (as defined in sec-
 15 tion 414(f)), subparagraph (B) of paragraph (1)
 16 shall not apply.”.

17 (c) COMBINING AND AGGREGATION OF PLANS.—

18 (1) COMBINING OF PLANS.—Subsection (f) of
 19 section 415 of such Code (relating to combining of
 20 plans) is amended by adding at the end the follow-
 21 ing:

22 “(3) EXCEPTION FOR MULTIEMPLOYER
 23 PLAN.—Notwithstanding paragraph (1) and sub-
 24 section (g), a multiemployer plan (as defined in sec-
 25 tion 414(f)) shall not be combined or aggregated

1 with any other plan maintained by an employer for
2 purposes of applying the limitations established in
3 this section.”.

4 (2) CONFORMING AMENDMENT FOR AGGREGA-
5 TION OF PLANS.—Subsection (g) of section 415 of
6 such Code (relating to aggregation of plans) is
7 amended by striking “The Secretary” and inserting
8 “Except as provided in subsection (f)(3), the Sec-
9 retary”.

10 (d) EFFECTIVE DATE.—The amendments made by
11 this section shall apply to plan years beginning after De-
12 cember 31, 1997.

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